

Press Release

Prime Meiden Limited

December 16, 2021



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------|------------------|------------------|--|
| Bank Loan | 25.00 | | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Total | 25.00 | - | - |

Rating Rationale

Acuité has reaffirmed the Short-term rating of '**ACUITE A4+**' (read as **ACUITE A4 plus**) on the Rs. 25.00 crore bank facilities of Prime Meiden Limited (PML). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

New Delhi based - Prime Meiden Ltd (PML) is an Indo-Japanese joint venture company of the Prime Group and Meidensha Corporation incorporated in 2008 by Mr. Hiroaki Wakui, Mr. Murad Beniaminov, Mr. Haruo Hirakawa, Mr. Kazumi Ikarashi, Mr. Nobuaki Tamaki, Mr. Lalit Bhasin, Mr. Surinder Mehta, Mr. Setsuko Yanagiya and Mr. Rohan Mehta. The group is virtually present in every major sector of the economy such as power and energy, aviation, space, railways, defence, IT, infrastructure, industries including automobile & metallurgical industry, petroleum, oil, gas, steel, fertilizers and shipbuilding etc. PML is in the business of manufacturing Extra Heavy transformers up to 765 kV in Special Economic Zone (SEZ), Naidupeta, district Nellore (AP).

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|--|
| 22 Sep 2020 | Bank Guarantee | Short Term | 8.01 | ACUITE A4+ (Downgraded and Issuer not co-operating*) |
| | Letter of Credit | Short Term | 8.01 | ACUITE A4+ (Downgraded and Issuer not co-operating*) |
| | Proposed Bank Facility | Short Term | 16.99 | ACUITE A4+ (Downgraded and Issuer not co-operating*) |
| 02 Jul 2019 | Bank Guarantee | Short Term | 8.01 | ACUITE A1+ (CE) (Reaffirmed) |
| | Proposed Bank Facility | Short Term | 16.99 | ACUITE A1+ (CE) (Reaffirmed) |
| | Letter of Credit | Short Term | 8.01 | ACUITE A1+ (CE) (Reaffirmed) |
| 06 Jun 2019 | Letter of Credit | Short Term | 13.00 | ACUITE A1+ (CE) (Reaffirmed) |
| | Bank Guarantee | Short Term | 12.00 | ACUITE A1+ (CE) (Reaffirmed) |
| 04 Apr 2018 | Bank Guarantee | Short Term | 12.00 | ACUITE A1+ (CE) (Assigned) |
| | Letter of Credit | Short Term | 13.00 | ACUITE A1+ (CE) (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|--|
| Punjab National Bank | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 8.01 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Short Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | 16.99 | ACUITE A4+ Reaffirmed Issuer not co-operating* |

*The facilities bank guarantee and letter of credit are interchangeable to the amount of Rs.8.01.

Contacts

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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